

Foreword

to the April 2022 Updated Edition

One year after enactment of the American Rescue Plan Act, governments at all levels are partnering even more with charitable organizations to put these once-in-a-generation resources to use in ways that address longstanding challenges and improve conditions in communities. Such progress was the express goal of the first two editions of this Special Report on Strengthening State and Local Economies in Partnership with Nonprofits.

Governments across the country have used the guiding principles and recommendations in the Special Report to structure both the processes they use and the projects and programs they undertake. Charitable leaders have been citing the many successful examples in the earlier editions of the Special Report of what has worked elsewhere as models when approaching their state and local policymakers with innovative solutions to address needs in their own communities. More partnerships and more meaningful relationships between governments and nonprofits are coming together to invest these ARPA funds in responsible and effective ways. To the extent earlier editions aided the decision-making process, the networks of the National Council of Nonprofits are deeply gratified.

We are issuing this updated edition of the Special Report to share additional examples of successful models of nonprofit relief. It also underscores the role of advocacy in promoting responsible investments and highlights the role of philanthropy in leveraging the ARPA funds to address longstanding and pandemic-related challenges.

Finally, this third edition provides an expanded analysis of eligible spending options made clear through the Final Rule and supporting documents issued by the U.S. Department of Treasury. In every instance, the review offered in earlier editions of this Special Report have been confirmed and the Treasury Department eliminates any question or confusion about the appropriateness of investing ARPA funds in charitable nonprofits.

Dedication

This third edition of Strengthening State and Local Economies in Partnership with Nonprofits is dedicated to the innovators and early adopters who have paved the way over the last year demonstrating how governments, nonprofits, and foundations can effectively use the once-in-a-generation \$350 billion in federal ARPA funding to advance the common good. They have modeled various ways for others to use and build on their early successes in making a difference for constituents and communities throughout the country. The networks of the National Council of Nonprofits thank them and remain committed to bringing nonprofits and governments together to address their shared challenges.